REMARKS

Claims 1-8, 18-22, 24-31 and 41 are pending in the present application. By this response, claims 1, 18, 24 and 41 are amended to correct minor informalities. Claim 1 is further amended to recite "analyzing the updated database using the data processing system to generate statistics about the physical transactions." Reconsideration of the claims in view of the above amendments and the following remarks is respectfully requested.

I. <u>Examiner Interview</u>

Applicant thanks Examiner Diaz for the courtesies extended to Applicant's representative during the October 7, 2004 telephone interview. During the interview, the Declaration under Rule 1.131 was discussed. Examiner Diaz pointed out that as long as the Declaration provided an adequate description of the presently claimed invention the Phung et al. reference would be overcome. Therefore it is Applicant's understanding that, pending an update search by Examiner Diaz, the present claims are now in condition for allowance. The substance of the interview is summarized in the remarks of sections, which follows.

II. 35 U.S.C. § 101, Claims 1-8

The Office Action rejects claims 1-8 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Claim 1 is amended to recite "analyzing the updated database using the data processing system to generate statistics about the physical transactions," which has a practical application and is in the technical arts.

Therefore, Applicant respectfully submits that independent claim 1 is statutory. Since claims 2-8 depend from claim 1, they are statutory as well. Thus, Applicant respectfully requests withdrawal of the rejection of claims 1-8 under 35 U.S.C. § 101.

III. <u>35 U.S.C. § 102, Alleged Anticipation, Claims 1-5, 7, 8, 18-22, 24-28, 30, 31</u> and 41

The Office Action rejects claims 1-5, 7, 8, 18-22, 24-28, 30, 31 and 41 under 35 U.S.C. § 102(e) as being allegedly anticipated by Phung et al. (U.S. Publication No. 2002/0007237 A1). This rejection is respectfully traversed.

Applicants respectfully submit that the presently claimed invention was invented on or before February 3, 2000. The attached Declaration under Rule 1.131 provides documentation as to the preparation of the application for the invention on or before February 3, 2000, which predates the applied Phung reference. In the Declaration, Exhibit A, which is a disclosure detailing the invention, shows a last modified date of February 3, 2000. This date predates the applied references priority date of June 14, 2000. Thus, the applied Phung reference does not qualify under 35 U.S.C. § 102(e). As such, the rejection is improper and should be withdrawn.

IV. 35 U.S.C. § 103, Alleged Obviousness, Claims 6 and 29

The Office Action rejects claims 6 and 29 under 35 U.S.C. § 103(a) as being unpatentable over Phung et al. (U.S. Publication No. 2002/0007237 A1). This rejection is respectfully traversed.

Claims 6 and 29 are dependent on independent claims 1 and 24 and, thus, these claims distinguish over Phung for at least the reasons noted above with regards to claims 1 and 24. That is, the present application predates the applied Phung reference. As such, the rejection is improper and should be withdrawn.

V. Objection to Claims 1, 8, 24 and 41

The Office Action states that claims 1, 8, 24 and 41 are objected to because of minor informalities. By this response, claims 1, 18, 24 and 41 have been amended to correct the informalities detailed in the Office Action.

VI. Conclusion

It is respectfully urged that the subject application is patentable over the prior art of record and is now in condition for allowance. The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

DATE: October 21, 2004

Respectfully submitted,

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